

## Message Text

UNCLASSIFIED

PAGE 01 SANA 02087 310455Z

12

ACTION NEA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-01

INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06 SP-02

CIEP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04

CEA-01 /091 W

----- 012827

R 301430Z JUL 75

FM AMEMBASSY SANA

TO SECSTATE WASHDC 6066

INFO AMEMBASSY AMMAN

AMEMBASSY ABU DHABI

AMEMBASSY JIDDA

AMEMBASSY BEIRUT

AMEMBASSY KUWAIT

AMEMBASSY MANAMA

UNCLAS SANA 2087

EO 11652: N/A

TAGS: ELAB

SUBJECT: LABOR ISSUES IN FORTHCOMING YARG VISIT TO SAUDI ARABIA

BEIRUT FOR LABOR ATTACHE

1. SUMMARY: YEMENI DELEGATION WHICH PRIME MINISTER INTENDS LEAD TO SAUDI ARABIA NEXT WEEK WILL SEEK ACCESS FOR YEMENI LABORERS IN SAUDI ARABIA TO SOCIAL SECURITY SYSTEM AND OTHER BENEFITS PROVIDED BY SAUDI LABOR LAW. YEMENI APPROACH PROBABLY MISCONCEIVED BUT PROBLEM IS AT BASIS ONE WHICH MIGHT USEFULLY BE EXPLORED BY MANPOWER SPECIALISTS IN US-SAUDI JOINT COMMISSION FORUM.

2. YAHYA JAGHMAN, DEPUTY PRIME MINISTER, SAID YESTERDAY THAT THE DELEGATION WHICH PRIMIN, ABDUL AZIZ ABD AL-GHANI WILL LEAD NEXT WEEK TO SAUDI ARABIA WILL BE BEYOND THE DISCUSSIONS OF PARTICULAR PROJECTS TO OPEN A NEW SUBJECT OF POTENTIALLY MUCH GREATER FINANCIAL AND POLITICAL IMPLICATIONS; THE STATUS OF YEMENI UNCLASSIFIED

UNCLASSIFIED

PAGE 02 SANA 02087 310455Z

WORKERS IN SAUDI ARABIA.

3. NOTING INACCURACY OF CENSUS FIGURES FOR BOTH SAUDI ARABIA AND YEMEN, JAGHMAN ESTIMATED THAT SAUDI POPULATION MIGHT BE AROUND 4 MILLION PERSONS, HALF COMPRISED OF MALES, OF WHOM PERHAPS HALF MIGHT BE IN LABOR FORCE. BY THIS ROUGH CALCULATION, THERE ARE ABOUT ONE MILLION SAUDIS HOLDING JOBS, AND THUS ACCORDING TO JAGHMAN THERE ARE AT LEAST AS MANY YEMENIS AS SAUDIS EMPLOYED IN SAUDI ARABIA. IN FACT, ACCORDING TO FIGURES WHICH PASSPORT OFFICIALS IN YEMEN HAVE PRODUCED, THERE MAY BE MILLION AND A HALF YEMENIS IN SAUDI ARABIA, RAISING SPECTRE THAT YEMENI LABORERS OUTNUMBER SAUDIS.

4. I REGARD THESE FIGURES WITH GREAT SCEPTICISM BUT THERE IS CLEARLY A VERY HIGH AND PERHAPS RISING PROPORTION WHICH YEMENIS COMPRISE IN THE LABOR FORCE OF SAUDI ARABIA. THEY SEEM TO BE CONCENTRATED IN SEVERAL FIELDS WHICH ARE THE MOST RAPIDLY GROWING OF THE SAUDI ECONOMY LIKE CONSTRUCTION OF ROADS AND BUILDINGS AND HANDLING THE MOUNTING FLOOD OF IMPORTED INDUSTRIAL AND CONSUMER GOODS. WHILE USG HAS TENDED TO CONCENTRATE OF SAUDI SHORTAGE OF SKILLED PERSONNEL, IT IS CLEAR THAT SHORTAGE OF UNSKILLED AND NON-PROFESSIONAL LABOR IS EQUALLY IMPORTANT BARRIER TO DEVELOPMENT OF KINGDOM.

5. BOTH HAGHMAN AND SEPARATELY, PRIMIN ABD AL-GHANI ACKNOWLEDGE IMPORTANCE OF FLOOD OF REMITTANCES TO YEMEN FROM EMIGRANT WORKERS IN SAUDI ARABIA, BUT POINT OUT THAT LABOR SHORTAGES HAVE DEVELOPED IN YEMEN, WHERE ONE MILLION PLUS EMIGRANTS EMPLOYED OUTSIDE OF YEMEN IS PERHAPS ONE HALF OF MALE LABOR FORCE HERE BETWEEN AGES OF 15 AND 50. COSTS OF LABOR HERE ARE RISING, AS RESULT, AND SOME PUBLIC WORKS PROJECTS AND RURAL DEVELOPMENT AND HARVESTS LAG FOR LACK OF LABOR.

6. TO NATIONALISTIC YEMENIS, HOWEVER, PROBLEM WHICH RANKLES EVEN MORE IS SAUDI ATTITUDE TOWARD YEMENIS. PRIMIN ABD AL-GHANI NOTED WITH ASPERITY IN A MEETING LAST WEEK THAT SAUDIS NEVER GIVE YEMENIS WORK OR RESIDENCE PERMITS (OR EVEN VISAS) UNLESS THE OCCUPATION LISTED IN THE PASSPORT IS "WORKER", WHICH IN ARAB WORLD MEANS EMPLOYEE IN DEMEANING, MANUAL, UNSKILLED, PIECE WORK.

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 SANA 02087 310455Z

7. JAGHMAN SPOKE YESTERDAY AT LENGTHY AND WITH SOME FEELING OF TREATMENT THAT YEMENI WORKERS GET IN SAUDI ARABIA. ALTHOUGH SAUDIS SPEAK OF PENINSULAR BROTHERHOOD AND FRIENDSHIP, YEMENIS ARE NOT PAID MINIMUM WAGE OF SR 50 A DAY, ALLEGEDLY AS GUARANTEED BY SAUDI LABOR LAW. AT SAME TIME, JAGHMAN SAYS KUWAITIS AND OTHER PENINSULA SUBJECTS GET MINIMUM WAGE IF THEY HAVE JOBS IN SAUDI ARABIA. JAGHMAN GOES ON TO SAY THAT IF YEMENI WORKERS ARE INJURED OR FALL ILL ON JOB THEY ARE NOT COVERED BY

OTHER BENEFITS OF SAUDI LABOR AND SOCIAL WELFARE LAW AND NO MATTER HOW LONG THEY MIGHT WORK IN SAUDI ARABIA THEY WILL NOT BE COVERED BY SOCIAL SECURITY. JAGHMAN SAYS THAT YEMENIS ARE HIRED AND FIRED WITHOUT REGARD TO JOB RIGHTS GRANTED TO SAUDIS--AND AGAIN ANY OTHERS FROM PENINSULA--CAN CLAIM, AND YEMENIS ARE ALSO GIVEN JOBS WITH EXTREMELY ARDUOUS OR DANGEROUS WORKING CONDITIONS. THIS KIND OF A LABOR MARKET, JAGHMAN CLAIMS, CAN CREATE DISSATISFACTION AND EVEN SUBVERSIVE GROUPS.

8. JAGHMAN SAYS THEREFORE THAT PRIMIN, IN FORTHCOMING VISIT, WILL BROACH SUBJECT OF PROVIDING YEMENIS ADMITTED TO SAUDI ARABIA FOR WORK WITH SAME BENEFITS AS SAUDI AND OTHER PENINSULA WORKERS IN KINGDOM. THIS INCLUDES MINIMUM WAGE, REGULATED HOURS, JOB-RIGHTS AND BENEFITS OF ILLNESS AND INJURY, PLUS ACCESS TO SOCIAL SECURITY SYSTEM.

9. COMMENT: I SUSPECT YEMENIS WILL MAKE LITTLE HEADWAY WITH OUR SAUDI FRIENDS IF APPEAL FOR WORKERS BENEFITS ARE COUCHED IN TERMS OF DIGNITY OF YEMENI LABOR, BROTHERHOOD OF YEMENI AND SAUDI PEOPLES, AND WEALTH OF THE KINGDOM. MOREOVER, IF THEY RAISE THE SPECTRE OF SUBVERSION AT THE SAME TIME THAT THEY TALK ABOUT LARGE AND GROWING ROLE OF YEMENI LABOR, YEMENI PROPOSALS FOR INTEGRATION OF YEMENIS PROBABLY WILL BACKFIRE BADLY AND QUICKLY.

10. I SUGGESTED TO JAGHMAN THAT APPEAL TO OTHER SAUDI INTERESTS MIGHT BE MORE EFFICACIOUS, E.G. NEEDS OF KINGDOM OVER LONGER TERM FOR SEMI-SKILLED LABOR BASE FOR INFRASTRUCTURE DEVELOPMENT PLANS OF KINGDOM. GIVEN THE CURRENT AND PROJECTED RATE OF DEVELOPMENT AND TRANSFORMATION OF THE SAUDI ECONOMY TO A CAPITAL INTENSIVE TECHNOLOGICAL BASE, THE NEED FOR A STABLE SUPPLY OF LABOR IN BOTH LOW AND MIDDLE LEVEL SKILLS IS VITAL. THE YEMENI LABOR MARKET AS A SOURCE OF SUPPLY FOR THE SAYDIS IS UNCLASSIFIED

UNCLASSIFIED

PAGE 04 SANA 02087 310455Z

CERTAIN TO GAIN IN IMPORTANCE OVER THE NEXT SEVERAL YEARS IF THE NEEDS OF TRANSFORMATION ARE TO BE MET. THE YEMENI LABOR MARKET IS A POTENTIAL SOURCE OF SUPPLY FOR THE LOW AND MIDDLE LEVEL SKILL CATEGORIES, ESPECIALLY IN THOSE WORKING CLASS TRADES WHICH SAUDIS BUT NOT YEMENIS ARE RELUCTANT TO ENTER. IN ORDER TO IMPROVE THE SKILL LEVEL OF YEMENI WORKERS SO THAT THEY MAY EFFECTIVELY RESPOND TO FUTURE SAUDI MANPOWER NEEDS, JOINT YEMENI-SAUDI TRAINING PROGRAMS, VOCATIONAL AND TECHNICAL, COULD BE ESTABLISHED IN SAUDI ARABIA. OVER TIME, THE SUBSTITUTION OF TRAINED YEMENIS FOR OTHER HIGH PAID FOREIGN TECHNICIANS IS LIKELY TO RESULT IN CONSIDERABLE ECONOMIC AND SOCIAL BENEFITS, WHILE AT THE SAME TIME ACCELERATING THE RATE OF DEVELOPMENT AND CEMENTING PENINSULAR RELATIONS.

11. WITHIN CONTEXT OF OUR JOINT COMMISSION WORK WITH SAUDI ARABIA

WE MIGHT BE ABLE TO RAISE LONG TERM MANPOWER NEEDS OF SAUDI ARABIA IN WAY THAT MAKES CLEAR THE VALUE AND UTILITY OF MORE RATIONAL USE OF YEMENI LABOR. COSTS COULD BE WEIGHED AGAINST WHAT SAUDIS WOULD PAY FOR OTHER FOREIGN LABOR, AND IN THIS WAY A PERSUASIVE CASE MAY EMERGE FOR GREATER BENEFITS FOR YEMENI WORKERS UNDER SAUDI LABOR LAWS. IF THIS RESULTS IN IMPETUS TO SAUDI DEVELOPMENT AS WELL AS YEMENI, AND IN TYING SAUDI ARABIA AND YEMEN CLOSER TOGETHER, IT IS CLEARLY WITHIN OUR INTEREST TO PURSUE.  
RANSOM

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LABOR, MEETINGS, DIPLOMATIC DISCUSSIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 30 JUL 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975SANA02087  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750263-1092  
**From:** SANA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t1975078/aaaaagvr.tel  
**Line Count:** 179  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION NEA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** hartledg  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 31 MAR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <31 MAR 2003 by ThomasVJ>; APPROVED <03 FEB 2004 by hartledg>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** LABOR ISSUES IN FORTHCOMING YARG VISIT TO SAUDI ARABIA BEIRUT FOR LABOR ATTACHE  
**TAGS:** ELAB, YE, SA  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006